

OHIO TOWNSHIP ASSOCIATION

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House Bill 161, Short Term Rentals House Development Committee April 30, 2025

Chairman Hoops, Vice Chair Lorenz, Ranking Member Abdullahi, and members of the House Development committee, good morning. My name is Kyle Brooks, and I am the Director of Governmental Affairs for the Ohio Township Association. On behalf of Ohio's 1,308 townships, thank you for the opportunity to provide proponent testimony on HB 161, which requires short-term rentals (STR) to remit lodging taxes.

The OTA recognizes the growing popularity of short-term rentals. Under current law, hotels (or their transient guests) may be required to pay a lodging tax. However, many short-term rentals operate as an alternative to hotels and, therefore, are not paying lodging taxes.

Townships, pursuant to Ohio Revised Code §5739.08, may levy a lodging tax of up to 3% on lodging furnished to transient guests by hotels and motels. An additional tax of up to 3% may also be levied when a township is located wholly or partly in a county without a lodging tax. House Bill 161 requires short-term rental operators to pay the lodging tax, like motel and hotel operators. By requiring STR operators to remit lodging taxes, the revenue received will help offset the impacts of increased traffic, infrastructure use, and demand for local services. The OTA supports this mechanism and views it as a positive move toward parity with traditional lodging establishments.

Amendment Request

The OTA respectfully requests an amendment that allows for a rental registration of STRs within the community. Townships, in particular, are not permitted to register short-term rentals outside of zoning requirements (for example, through conditional use permits). Unless there is a mechanism to register these properties, it's unlikely a township can enforce collection of required lodging taxes. Furthermore, by having a rental registration list, township safety services would know the areas that potentially could have increased traffic, population, and greater safety service needs. The OTA also recommends townships be able to charge an annual registration fee.

The OTA recognizes STRs' role in tourism and economic development here in Ohio. By treating STRs the same as motel and hotel establishments, more townships may be more inclined to welcome short-term rentals in their community.

Mr. Chairman, I appreciate the opportunity to testify before you and the House Development Committee. We want to thank Representatives Bird and Newman for sponsoring this legislation. I would be happy to answer any questions you or the committee members may have.